

Meeting to Discuss Proposed Interagency Affiliate Marketing Rule
April 5, 2005

Attendees:

Regina Dillard, State Farm Insurance	Andrew Smith, Federal Trade Commission
Jim Tuite, State Farm Insurance	Loretta Garrison, Federal Trade Commission
Cynthia Sarno, Farmers Insurance	David Stein, Federal Reserve Board
Eric Rizzo, Farmers Insurance	Stephanie Martin, Federal Reserve Board
Jeff Rouch, Nationwide Insurance	Tara Prigge, Securities & Exchange Commission
Jeff Tasse, Coalition to Implement the FACT Act	Richard Bennett, Office of Thrift Supervision
Dean Pappas, Allstate Insurance	Cindy Baltierra, Office of Thrift Supervision

Summary:

Ms. Dillard, Mr. Tuite, Ms. Sarno, Mr. Rizzo, Mr. Rouch, Mr. Tasse, and Mr. Pappas, representing a number of insurance companies, had asked for a meeting with the several agencies responsible for making rules under Fair Credit Reporting Act § 624 (the “Agencies”). They wanted to discuss the agencies’ proposed rule regarding the use for marketing purposes of information shared among affiliated companies (the “Proposed Rule”).

Specifically, the insurance industry representatives argued that the agencies had erred by omitting the term “licensed agent” from the Proposed Rule’s definition of “pre-existing business relationship.” They explained that the Proposed Rule might be read, in combination with the insurance laws and regulations of the many states in which they operate, to prohibit so-called “exclusive” insurance agents from marketing new products to their own customers. They recommended that the Agencies include the term “licensed agent” in the final rule’s definition of “pre-existing business relationship.”